

# Summit Media Broadcasting, LLC

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**RE: MB Docket No. 04-233**

**Comments on Broadcast Localism**

8-31-04

I and my company, Summit Media Broadcasting, LLC, licensee of WDBS and WSGB Sutton, WV would like to make comment on Broadcast Localism. I have been active in the radio business since 1970 and have witnessed many changes, especially those brought about by deregulation in recent years. However, I find one the most compelling reason for the decline of localism can be traced back to the actions of the FCC itself.

The FCC has established a double standard between commercial and non-commercial operators which is fueling the localism problem. Here's what we see in West Virginia that is contributing to this problem. Educational Media Foundation is the licensee of two Class A FM stations which are located in the commercial FM band and up till a couple of years ago were operated as commercial channels serving their respective communities. The stations are WDKL 95.9 Grafton, WV and WKVW 93.3 Montgomery, WV. Previous owners maintained local studios, had local employees, aired local news and weather, events such as high school football games and had daily trading post shows with calls from their communities. Educational Media Foundation however, as a non-comm operator has NO Studios, NO Offices, NO full-time employees, NO local information or weather and delivers it's programming to these Class A channels by satellite to the transmitting tower site. There is no ability for the public to interact with their hometown stations other than to call a toll free donation line. Educational Media Foundation is required by the FCC to do NOTHING, not even pay for any regulatory or filing fees. Whereas commercial operators must maintain an office, hire employees, pay taxes, follow FCC regulations and of course pay fees.

This problem was recently intensified when Non-Comm operators Educational Media Foundation, Radio Assist Ministry, Edgewater Broadcasting and others filed for thousands of FM translators in 2003. Once again with a double standard permitting these Non-Comms to feed their translators by satellite, creating signals that are NOT LOCAL and don't have to answer to the communities they are licensed to serve. These thousands of applications placed a burden on the FCC to process while they required NO application fees. Meanwhile commercial operators have to scramble to protect their local signals from interference brought about by these Non-Comm translator applications on our adjacent channels. Many smaller commercial operators are still not even aware of the pending signal interference they may receive soon from these translators.

The localism problem continues with the upcoming FM auction whereas a smaller local commercial operator has to compete with national commercial and non-commercial giants to attempt at auction to win a rural FM license and keep it local.

It has also been speculated that national “middle-men” with access to limitless funding will bid on all the FM channels, only to re-sell them again for profit to the highest bidder because the FCC’s auction regulations are not written to stop this abuse. Additionally large national Non-Comms, who are not required to provide local facilities, can pickup as many channels as they want and operate them by satellite delivery.

Summit Media Broadcasting on May 5, 2004 in an effort to promote Localism, forwarded Comments to the FCC on FM Auction 37 per Public Notice DA 04-1275, DA 04-1020. We suggested that the FCC establish a **Localism Preference Credit** to 1) any company that has it’s main company office located within 50 air miles of the FM channel offered in auction 37 and / or 2) if a publicly held company, a major stockholder must have a primary residence that exceeds 12 months, prior to the date of the auction, located within 50 air miles of any FM channel offered in auction 37 and subsequent broadcast auctions. The **Localism Preference Credit** should consist of the following treatment: 1) whereas the same channel for auction has a local company (meeting these requirements) making a bid against an out of area company or companies, the local company shall automatically win the channel allocation, providing it also pays the minimum bid that has been assigned by the FCC. 2) If two local companies bid on the same channel allocation, they would continue to auction among the established procedures of the auction. Summit Media contends that both large for profit and non-profit organizations have collective wherewithal to go into any area of the United States and deny the opportunity for any local small company or minority owned company the ability to enter into the broadcasting business. Instituting a 50 air mile **Localism Preference Credit** would not hinder the ability of the FCC to conduct an auction, but it would give local businesses and local minorities the ability to participate and actually win an FM allocation and operate it **LOCALLY**.

Senator John McCain is promoting adding more LPFM channels by eliminating the 3rd adjacent channel protection. Summit Media Broadcasting suggests the FCC can provide more LPFM channels by stopping the double standard on translators for Non-Comms by not permitting satellite translator feeds. This would open up thousands of channels nationwide for use by LPFM who are required to program **LOCALLY**, unlike the nationally satellite fed Non-Comm translators. If Non-Comms such as Educational Media Foundation want to provide nationwide coverage, then let them procure a channel or two on Sirius or XM Satellite and keep the public’s airwaves open for local use by LPFM.

Summit Media Broadcasting is the licensee of WSGB a Class C AM channel in a rural area, 1kw day and night on 1490 AM. We have invested thousands of dollars to rebuild the facility with a new transmitter, studio equipment, programming and promotions. Considering we only have a couple of FM radio signals and our AM signal being the only AM that can be picked up, that it would have become a viable station. To date we are still billing barely enough money to pay the electric bill monthly, where it not for the support of our FM channel WDBS, the AM station would have closed down years ago. Many other small AM operators can identify with this scenario across the country. Many AM stations are owned by minorities or small company operators who run them locally. We suggest to promote localism, the FCC should help AM operators of Class C stations and AM daytimers by permitting them to exchange their AM license for an FM license if a channel is available to serve the same community of license.

This would lessen the nighttime congestion on Class C AM stations and provide a useable FM signal to that community. The FM channel can be either a Class A FM if the channel can fit in the area or some form of a lower power level. Most Class C AM station barely have a daytime radius of 30 miles and a nighttime radius of 7 to 10 miles. I have heard LPFM's that have as good a reach if not better. These AM operators would be mandated to either turn in their AM license in exchange for the FM channel if available in the area or if they keep the AM on the air, to forever simulcast it with the FM channel to keep it viable as a local channel. This one time offer needs to be completed soon before any other LPFM or translator application windows are open.

In summary, Summit Media Broadcasting contends that the FCC can easily promote Localism in broadcasting by eliminating a double standard it has established between commercial and non-commercial operators, just treat them equally. Where Non-Comms own AM & FM channels in the commercial bands, they should be made to maintain local studios and employees, including providing public files and public access. Do not permit translators to be fed by satellite delivery and make them adhere to the same regulations as commercial operators. This will open up thousands of FM channels for LPFM. All future FM and AM auctions should establish a Local Preference Credit to foster minority and small business participation in broadcasting, in turn providing local programming to the communities of license. Finally, to grant AM station owners of Class C and Daytime only stations a one time only opportunity to exchange their AM license for an FM channel to serve the same community if a channel is available in their area. The FCC can by policy directive establish all these suggestions and truly promote Localism in broadcasting. This may well be the final opportunity for the FCC to establish guidelines for Localism before all usable FM channels are gone forever.

Sincerely,

N. Al Sergi - Managing Member  
Summit Media Broadcasting, LLC

cc- Sen. John McCain  
Sen. J. Rockefeller  
Sen. R. Byrd

